Return on Investment Program Funding Application (FY 2003 Request)

This is an electronic template. Please enter your responses on this document. Only electronic submittals of this template will be accepted. Proposals submitted after the designated due date may not receive funding consideration.
FINAL AUDIT REQUIRED: The Enterprise Quality Assurance Office of the Information Technology Department is required to perform a final project outcome audit, after implementation, for all Pooled Technology funded projects.

I T   P R O J E C T   E V A L U A T I O N

SECTION I: PROPOSAL

Date: June 14, 2001

Agency Name: Department of Corrections/Department of Public Safety/Iowa Board of Parole

Project Name: Criminal Justice Information Systems Integration Project (CJIS)

Expenditure Name:

Agency Manager: John Baldwin, Larry Grund, Jim Twedt, (Dave Meyers - ROI coordinator)

Agency Manager Phone Number / E-mail: (515) 242-5704 /john.baldwin@doc.state.ia.us, (515) 281-8419/ larry.grund@dps.state.ia.us, (515) 242-5775/jim.twedt@bop.state.ia.us, (515) 725-0411/david.meyers@itd.state.ia.us

Executive Sponsor (Agency Director or Designee): W. L. Kautzky, E.A. "Penny" Westfall, Clarence Key Jr.

Request For ROI Application Waiver:
Agencies are required to complete this funding application when requesting funds for any project, any IT expenditure costing over $100,000, or any non-routine IT expenditure. <u>If you feel there is compelling reason to waive this requirement, please provide (in the box provided below) a brief description of the project or expenditure, the budget amount, and a rationale for the waiver request.</u> Until a decision is made regarding your waiver request, it is not necessary to complete any other portion of this application. The ITD Enterprise Quality Assurance Office will convey waiver request decisions within five working days of receipt.

Explanation:

A. Project or Expenditure Rationale
Is this project or expenditure necessary for compliance with a Federal standard, initiative, or statute?   ☒**YES** (If "YES," explain)   ☐ **NO**

Explanation: The U.S. Department of Justice has a major initiative in process dealing with the integration of criminal justice information systems at the state level. This project will expand on the steps already taken by Iowa to reach the goal of a fully integrated statewide criminal justice information system. Additionally, the Federal Bureau of Investigation, Criminal Justice Information Services Division , has adopted a security policy that the Department of Public Safety (DPS) must adhere to in order to maintain its National Crime Information Center (NCIC) Services. This security policy requires that Control Terminal Agencies (CTA's) perform certain functions by no later than the close of fiscal year 2002. DPS is the CTA for Iowa.

Is this project or expenditure required by State statute?   ☒ **YES** (If "YES," explain)   ☐ **NO**

Explanation: The Department of Corrections' (DOC) ICON Mercury portion of this project is authorized by the Governor and the Legislature in HF 2552. Last year ICON Mercury was submitted under separate cover This year it is included in this proposal as a continuation of a previously initiated project as well as a major componenet of an integrated criminal justice system.   .

Does this project or expenditure meet a health, safety or security requirement?
☒**YES** (If "YES," explain)   ☐ **NO**

Explanation: An integrated criminal justice information system provides significant health and safety benefits for the public as well as criminal justice practitioners. For example, the DOC ICON Mercury project provides greatly enhanced security features for correctional officers, medical staff, counselors, dietary, maintenance, judges, police officers, sheriffs,and the general public. The FBI security policy, when adopted and implemented by DPS, will help meet the Governor's strategic goal of safe communities throughout Iowa by protecting the state's citizens by ensuring the integrity of law enforcement telecommunications operations through encryption, identification, and authentication of critical and sensitive information. The enhanced information network in the Board of Parole (BOP) will increase the safety of the public by ensuring that only the "safest" offenders are paroled and that key decision-makers have all the accurate, timely, and relevant information they need.

Is this project or expenditure necessary for compliance with an enterprise technology standard?
☒ **YES** (If "YES," explain)   ☐ **NO**

Explanation: The Department of Corrections' ICON Mercury project meets all the enterprise technology standards that were in place at the time the program was written. The Department of Public Safety project will help ensure that the enterprise technology security standards set forth from ITD are met.

Is this project or expenditure consistent with meeting the goals and objectives of the State's strategic plans?
☒ **YES** (If "YES," explain)   ☐ **NO**

Explanation: All components of this project which includes the Department of Corrections (DOC), the Department of Public Safety (DPS) and the Board of Parole (BOP) help to meet the Governor's strategic goal of safe communities through both the enhancement of their individual operating systems as well as through the sharing of information through an integrated justice information system.

Is this a "research and development" project or expenditure?   ☒ **YES** (If "YES," explain)   ☐ **NO**

Explanation: The Department of Corrections' ICON Mercury project has the capability to become a research and development tool. The Department received extensive assistance from the University of Northern Iowa to create this component of the database. Additionally, the Board of Parole will utilize this system for parole research to facilitate and improve board decision-making, research recidivism rates and examining prison population trends.

B. Project or Expenditure Summary

1. Provide a pre-project or pre-expenditure (before implementation) <u>and</u> a post-project or post-expenditure (after implementation) description of the impacted system or process. In particular, note if the project or expenditure makes use of information technology in reengineering traditional government processes.

Response: Pre-project: While recognizing and preserving the separate mission of the participating agencies responsible for criminal justice within the state, this project is intended to help integrate the functionality and interoperability of criminal justice information systems. This project intends to help develop and implement information technology solutions for the purpose of integrating the criminal justice systems from the courts, law enforcement, and corrections. Currently, this type of information sharing is not readily practiced in Iowa.

The ICON Mercury system replaces the current Adult Corrections Data System with a state of the art web based application that dramatically impacts and improves the safety of the public as well as the safety of criminal justice practitioners. The current system does not provide the end users with any useful data nor does it provide key decision-makers with critical information to make public safety decisions. The outdated information system used by the Parole Board makes it extremely difficult for the Board to keep the size of the prison population in check. The increase in the prison population as well as the change in the nature of the prison population makes it difficult for the Board to identify those offenders or groups of offenders that may be safely released from prison without better information. The Department of Public Safety is under a federal mandate which requires them to make certain changes and perform specific functions in order to maintain National Crime Information Center services. These services are required by all law enforcement agencies throughout the State.

Post-project: The ICON Mercury system will allow public safety agencies, judges, and policy makers to know what works and what does not work with Iowa's rapidly expanding prison system. The enhanced information network within the Board of Parole will allow the Board to examine the nature of the prison population, identify risk factors for potential parolees, inform policy makers of trends, and examine past Board decisions. When the Department of Public Safety implements the newly mandated security policy the upgraded communications network will allow the encryption of data and the authentication of users.

When implemented, these projects will provide the capability for these agencies to effectively exchange vital justice system information at critical decision-making points. This is a major step towards the goal of establishing an integrated criminal justice information system statewide.

2. Summarize the extent to which the project or expenditure improves customer service to Iowa citizens or within State government. Included would be such items as improving the quality of life, reducing the government hassle factor, providing enhanced services, improving work processes, etc.

Response: This Criminal Justice Integration Project provides significant services to Iowa's citizens and State government. The Dept. of Corrections capability: provides for immediate information on all convicted felons in Iowa; allows front line institutional staff to have access to relevant information about the inmate they are dealing with; provides medical information to all medical, dental, and nursing staff; provides pharmacy formulary and drug interaction system to greatly reduce costs and negative medical reactions; makes the counting of inmates easier; determining which offender programs keep offenders from recidivating; provides for assessing the offenders needs with targeted diversion programs; tracks the offender through the various assigned programs. Allows the Department to provide services at the appropriate level; shares data with other agencies to avoid duplication of effort; provides for public safety through knowledge of the offender's actions; provides public information for such offense as sexual assault; complies with Governor's and legislative language that DOC develop ICON to be used by public safety agencies; greatly improves work process by moving from a paper and pencil system to a totally automated one; enhances the State of Iowa Code requirement for a criminal sanction continuum; allows for accurate computer projection of inmate offender population.

This project will enable the Board of Parole to expand its computer technology and proficiency in tracking offenders in Iowa's penal system. Further, this will enable the Board to continue tracking offender institutional progress with regard to treatment programs and other factors relevant to a safe release into society.

Through this project the Dept. of Public Safety will provide greatly enhanced safety to Iowa's citizens and law enforcement community due to the fact that all data transmitted over dial-up or Internet connections will be protected with encryption. Also, all information passing through the public network segment will be protected by encryption while in that segment. This protection will ensure that there is no unauthorized system access or abuse.

State of Iowa – Return on Investment Program – IT Project Evaluation

3. Identify the main project or expenditure stakeholders and summarize the extent to which each, especially citizens, is impacted. In particular, note if the project or expenditure helps reconnect Iowans to State government.

Response: The primary stakeholders are the citizens of the state. Due to an enhanced level of safety and security the citizens will enjoy an enhanced standard of living. Other stakeholders include the Governor, the Legislature, the Director of the Department of Corrections, the Commisioner of Public Safety, the Board of Parole, and other criminal justice agencies and professionals around the state.

The key decision-makers will have accurate data with which to implement or redirect programs and staff to achieve the overall goal of safe communities. This is crucial so that communities are safe and that Corrections, Public Safety, and Parole Board resources can be invested wisely and without waste and that citizen tax dollars are maximized.

A group of equally important stakeholder is the citizens that are under DOC supervision. These citizens deserve a chance at success in life and not endless opportunities to see the inside of a jail or prison.

The staff of all public safety agencies need to know accurate and up to date information on the person they are dealing with.

The general public needs to live in safe communities.

Legislatures and policy makers need to know what works, what doesn't and how to make improvements

SECTION II: PROJECT ADMINISTRATION

A. Agency Information

1. <u>Project Executive Sponsor Responsibilities</u>: The sponsor must have the authority to ensure that adequate resources are available for the entire project, that there is commitment and support for the project, and that the organization will achieve successful project implementation.

    Response: No response required.

2. <u>Organization Skills</u>:
    a. List the project management skills necessary for successful project implementation
    b. List the project management skills available within the agency
    c. List the source(s) of project management skills lacking within the agency

d. Summarize relevant agency project management experience and results

Response:
This project requires specific competencies from the three participating agencies. Those competencies are identified below.

A. Project management skills required for this project include ROI development, IT project management, application software skills, security management skills, interface application skills, research capabilities, operating software skills, and technical hardware abilities.

B. Department of Corrections:

        IT project management skills available within the agency or from ATG
        ROI expertise available with the agency
        User particpation skills available within the agency
        Compliance standards skills available within the agency
        Training skills available within the agency

    Board of Parole:

        Iowa Board of Parole Management - skills availaable within the agency

    Department of Public Safety

        The Data Services Bureau has the NCIC trained security group to implement this project. Other skill sets DPS staff will capitalize on include: LAN/WAN technologies, and Extranet and Internet technologies. Additionally, the department has ROI expertise, IT project management skills, application skills, and interface skills within the Technology Services Bureau.

C. Department of Corrections

        Application software skills available from ATG
        Operating software skills available from ATG
        Interface skills available from other agencies and ATG

    Board of Parole

        Research expertise available from Criminal and Juvenile Justice Planning
        Hardware and software technicians available from Solutech.

D.

        The Executive Director of the Parole Board possesses a year's experience in managing the staff of the Parole Board of Parole, a year managing a contract with CJJP to perform parole-related research, and over 25 years of experience in the criminal justice system. He is adept at managing projects and bringing disparate groups together to solve problems. The Department of Public Safety has shown that it has the skill sets to achieve this project. The Department's rollout of 220 routers and conversion to TCP/IP for law enforcement was significant. In the past interfaces and connectivity has been implemented to various databases (sex offenders, Judicial Branch, Department of Corrections, NCIC, National Law Enforcement Telecommunication System, Interpol, and the Department of Transportation).

B. Project Information

1. <u>History</u>:

I T   P R O J E C T   E V A L U A T I O N

a. Is this project the first part of a future, larger project? If so, please explain.
b. Is this project a continuation of a previously begun project? If so, please explain project history, current status, and results.

> **Response:**   A. The project components related to the Board of Parole and the Department of Public Safety are initial projects within those agencies which are part of a larger, future, statewide criminal justice information systems initiative. DPS will be phasing in this specific component over three years.
>
>   B. The ICON project within the Department of Corrections is a continuation of a previoulsy begun project, however, it is also a major component of the statewide integration project.

2.   Expectations: Describe the primary purpose or reason for the project.

> **Response:**   Currently, criminal justice agencies around the state have their own individual operating systems that are intended to meet their operational needs. In most cases these individual systems do not maximise the use of available technology to collaboratively share important information between agencies. The purpose of this project is to enhcance the technological capabilites of the Dept. of Corrections, Department of Public Safety, and the Board of Parole to enable them to collaborate with other criminal justice agencies to develop a statewide integrated criminal justice information system. This project will improve public safety, eliminate data entry errors, provide complete and secure data, improve the ability to evaluate programs and policy decisions, maximize resources, improve operational effectiveness, and improve data retreival response time. Some agency specific reasons for this project include:
>
> ICON will improve upon staff efficiency; enhance communication within Corrections as well as between Corrections and other agencies (This will allow for the real time exchange of information which is something that has not previously been possible. The same is true as extended to the general public); launch the Department into new technology moving from an outdated mainframe system to a Web based browser system; enhance the ability to measure correctional outcomes; and allow the Department to be more effective in working with the offender population.
>
> The enhanced information network for the Board of Parole will allow for: examination of current Board data resources to identify their potential for research; development of software to generate reports for the Board to use in identifying suitable candidates for parole; development of software to generate data for the Board's annual report; collection of data permitting analysis of past Board practices and offender recidivism; analysis of factors associated with recidivism; identification of groups in the prison population who may be candidates for either early or delayed release; and compilation of critical data for key decision-makers.
>
> The FBI security policy, when adopted and implemented by the Department of Public Safety, will provide enhanced safety for Iowa's citizens and law enforcement community by ensuring the integrity and security of law enforcement telecommunications statewide. This enhanced level of security will ensure that a statewide integrated criminal justice information system will not be compromised by unauthorized users.
>
> Additionally, these individual components will allow these three agencies to share information among themselves in a more accurate and timely manner.

3.   Measures: Describe the criteria that will be used to determine if the project is successful.

> **Response:**   The project's success will be determined by the extent to which the expectations identifed in the section immediately above are realized.

4.   <u>Environment</u>: List the project participants (i.e. single agency, multiple agencies, State government enterprise, citizens, associations, or businesses, etc.).

> **Response:**   The criminal justice information systems integration project involves all agencies in the State involved in criminal justice including the Courts, Law Enforcement, Corrections, and Probation and Parole at the local, state, and federal level. Additionally, many of the state's elected officials as well as criminal justice agencies and associations will also be involved. The individual components of this proposal involve the Dept. of Corrections, the Department of Public Safety, and the Board of Parole. These individual components are necessary for these agencies to successfully blend into an itegrated criminal justice information system. Additionally, the citizens of the state are participants to the extent that they will benefit from a safer community and a more efficient, effective,and responsive criminal justice community.

5. <u>Risk:</u> Describe the project risks which may be internal or external to State government, i.e. implementing versus not implementing project, changing technology, potential cost overruns, changing citizen demand or need, etc.

Response: The risks of not implementing an integrated criminal justice information system include: jeopardizing police and correctional officer health and safety; redundant, error filled manual data entry; ineffective, dangerous decision-making; inability to evaluate program effectiveness and policy decisions and changes; delayed data retrieval time; inefficient use of financial resources; increased exposure to litigation due to poor or lacking information; and less safety for Iowa's citizens. For the Department of Public Safety the risk of losing National Crime Information Center service would be devastating the to the criminal justice community within Iowa.

6. <u>Security / Data Integrity / Data Accuracy / Information Privacy</u>
   a. List the security requirements of the project
   b. Describe how the security requirements will be integrated into the project and tested
   c. Describe what measures will be taken to insure data integrity, data accuracy and information privacy.

Response:
The security requirements for the individual components of this project are shown below.

A. The Department of Corrections' ICON-Mercury data base system has been and will continue to be fully secluded from the rest of ICN. The system is completely password controlled with staff being able to only access those screens that pertain directly to their job functions. The DPS network is controlled by strict NCIC security policies that will eventually require user authentication and verification once the infrastructure is in place.

B. The security requirements will be integrated into the project through a series of tests and verifications to ensure that there are no unauthorized users accessing any component of the system. The Board of Parole will implement tested security applications that are currently in place for other Board of Parole data.

C. Microsoft COM + Services insure data integrity and accuracy by enforcing that business rules are met before committing information to the database. Every transaction is flagged for user name and time. After three unsuccessful log in attempts to the front end the user is locked out. Users are not granted access to the data, instead they are granted execute permission to the COM + modules. These preprogrammed modules enforce the business rules regarding data access. This has the effect of not allowing alternate tools to access the database. The Department of Public Safety will implement standard business security practices as identified in the new federal security policy. A copy of the policy is available for review if requested.

7. <u>Project Schedule</u>
   Describe general time lines, resources, tasks, checkpoints, deliverables, responsible parties, etc.

Response: The ICON project is authorized by the Governor and legislature in H.F. 2552.   The entire ICON system will be comprised of ICON banking (completed); ICON-Lite (completion date 8/1/00); ICON-Mercury, the institution part of ICON starts 11/1/00 with scope definition; and ICON-medical starts scope definition on 02/01/01. Responsible Party - DOC Staff .

The FBI security policy will be implemented from FY 03 - FY 05. Responsible Party - DPS Staff.

The Board of Parole enhanced information network will be implemented during fiscal years 2003. Responsible Party - BOP Staff.

SECTION III: TECHNOLOGY (In written detail, describe the following)

A. Current Technology Environment
1. <u>Software (Client Side / Server Side / Midrange / Mainframe):</u>
   a. Application software
   b. Operating system software
   c. Major interfaces to other systems, both internal and external

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Response:

A. Application Software:
       Client side - Internet explorer version 5 (DOC)
       Server side - Microsoft SQL version 7 (DOC)
       Cisco IOS V.11.1 (22) (DPS)
       Microsoft Office (BOP)
       Microsoft Office 2000 (BOP)
       Visual Basic application (BOP)
       Crystal reports (BOP)
       SNA software (BOP)

B. Operating system software:
       Client side - Windows 95, 98, 2000, or NT (DOC)
       Server side - Windows 2000 advanced server (DOC)
       Mid range - Windows 2000 advanced server (DOC)
       Microsoft Windows x 9, 2000, NT (DPS)
       Windows NT 4.0 (BOP)

C. Interfaces to other systems:
       ICBC interface - Text file transfer/FTP (DOC)
       Court interface - Oracle (DOC)
       Public Safety - Oracle (DOC)
       Data Warehouse - Terra Data (DOC)
       IOWA System telecommunications message switch for law enforcement uses standard TCP/IP that c connects state, county, local law enforcement (DPS)
       Microsoft Outlook (BOP)
       Internet Browser and access (BOP)
       DOC ICON Lite, mainframe, and CBC (BOP)
       File transfer protocal (FTP) (BOP)

The Department of Public Safety owns and maintains it's routers and firewall comprised of Cisco 2600 series routers and PIX firewall.

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2. <u>Hardware (Client Side / Server Side / Mid-range / Mainframe):</u>
   a. Platform, operating system
   b. Storage and physical environment
   c. Connectivity and bandwidth
   d. Logical and physical connectivity
   e. Major interfaces to other systems, both internal and external

IT PROJECT EVALUATION

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> **Response:**
>
> A. Platfrom (server side) - Compac and equal file servers (DOC)
>   Operating system (server side) - Windows 2000 (DOC)
>   2 HP Netservers/NT Server/SQL Server (server side) (BOP)
>   DOC mainframe/3270 emulation and FTP (BOP)
>   Platform (client side) - any PC compatible work station (DOC)
>   Operating system (client side) - Windows 95, 98, 2000, Nt (DOC)
>   18 HP personal computers/Windows NT (client side) (BOP)
>
> B. Storage/physical/environemntal requirements (server side) - 216 gigabytes of storage; normal server
>   requirements (DOC)
>   Storage/physical/environmental requirements (client side) - no additional requirements
>   32 gigabytes storage (server side) (BOP)
>
> C. Connectivity is ICN based using T-1 lines to institutions. PVC's are connected to ATG from remote sites
>   (DOC)
>   LAN to 10 MB port on ICN router shared with DOC (BOP)
>
> D. Public Safety owns and maintains its routers and firewall comprised of Cisco 2600 series routers and PIX
>   firewall.
>
> E. ACDS, Court/Judicial, Public Safety and daat warehouse are all handled by ICN connection. (DOC)
>
> Law enforcement agencies connection to the IOWA system are responsible for their own computer hardware and
> law enforcement software (DPS).

B. Proposed Technology Environment

1. <u>Software (Client Side / Server side / Mid-range / Mainframe)</u>
     a. Application software
     b. Operating system software
     c. Major interfaces to other systems, both internal and external
     d. General parameters if specific parameters are unknown or to be determined

Response:

Corrections:

A. Application software
   Application software (DOC)
   Cisco telecommunications equipment (DPS)

B. Operating software
   Operating software (DOC)
   Microsoft Windows 9x, 2000, NT

C. Interfaces with other systems

D. General parameters if specific parameters are unknown or to be determined.

2. <u>Hardware (Client Side / Server Side / Mid-range / Mainframe)</u>
   a. Platform, operating system
   b. Storage and physical environment
   c. Connectivity and Bandwidth
   d. Logical and physical connectivity
   e. Major interfaces to other systems, both internal and external
   f. General parameters if specific parameters are unknown or to be determined

Response:

A. Cisco IOS 11.224 (DPS)

B. Not applicable (DPS)

C. Minimum of 56KBS - 0C3 (DPS)

D. TCPIP/IP PVC and high speed serial connection (DPS)

E. Interpol, National Crime Information Center, national law enforcement telecommunications system, Judicial, Iowa law enforcement, ITD and DOT (DPS)

F. Not applicable (DPS)

C. Data Elements
   If the project creates a new database, provide a description of the data elements.

Response:

Corrections:

Specific software - SQL
General description of data elements - 300 SQL data tables containing thousands of specific data elements related to the criminal justice system. Currently the system must support 242,497 offenders.

Parole Board:

To be developed pending recommendations.

SECTION IV: Financial Analysis

A. Budget: Enter figures and calculate (see formula below) Total Annual Prorated Cost (State Share).
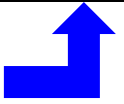
$$\left[\left(\frac{Budget\ Amount}{Useful\ Life}\right)\times\%\ State\ Share\right]+\left(Annual\ Ongoing\ Cost\times\%\ State\ Share\right)=Annual\ \Pr orated\ Cost$$

Budget Line Items	Budget Amount (1st Year Cost)	Useful Life (Years)	% State Share	Annual Ongoing Cost (After 1st Year)	% State Share	Annual Prorated Cost
Agency Staff	$	1	%	$	%	$
Software	$	1	%	$	%	$
Hardware	$297,000	3	100%	$121,000	100%	$220,000
Training	$250,000	5	100%	$	100%	$50,000
Facilities	$	1	%	$	%	$
Professional Services	$290,000	4	100%	$0	100%	$72,500
ITD Services	$	1	%	$	%	$
Supplies, Maint, etc.	$	1	100%	$	%	$
Other (Specify)	$	1	100%	$	%	$

Totals	$837,000		-------		-------		$121,000		------		$342,500

Transfer this amount to the ROI Financial Worksheet, item "D" on page 19.

B. Funding: Enter data or provide response as requested

1. This is (pick one):   ☒ A Pooled Technology Fund or Reengineering Fund Request
                            ☐ An Agency IT Expenditure or Budget Request (General Fund, Road
                               Funds, etc)
                            ☐ Other – Specify:

2. On a fiscal year basis, enter the estimated cost by funding source?

	FY03		FY04		FY05	
	Cost ($)	% Total Cost	Cost ($)	% Total Cost	Cost ($)	% Total Cost
State General Fund	$	%	$	%	$	%
Pooled Tech. Fund	$837,000	100%	$135,000	100%	$135,000	100%
Federal Funds	$	%	$	%	$	%
Local Gov. Funds	$	%	$	%	$	%
Grant or Private Funds	$	%	$	%	$	%
Other Funds (Specify)	$	%	$	%	$	%
Total Project Cost	$837,000	100%	$135,000	100%	$135,000	100%

If applicable, summarize prior fiscal year funding experience for the project / expenditure.

> **Response:** N / A – First Year Funding

1. On a fiscal year basis, how much of the total ($ amount and %) project / expenditure cost would be <u>absorbed</u> by your agency from normal operating budgets (all funding sources)?

> **Response:** N/A

2. Identify, list, and quantify all <u>new annual ongoing</u> (maintenance, staffing, etc.) related costs (State $s) that will be incurred after implementation or expenditure.

> **Response:** One additional staff person (general fund request of DPS in the amount of $120,872).

C. ROI Financial Worksheet: Respond to the following and transfer data to the ROI Financial Worksheet (see IVC11) as necessary:

1. Annual Pre-Project Cost – Quantify all <u>actual</u> state government direct and indirect costs (personnel, support, equipment, etc.) associated with the activity, system or process <u>prior to</u> project implementation. This section should be completed only if state government <u>operations</u> costs are expected to be reduced as a result of project implementation.

> **Response:** N/A

2. Annual Post-Project Cost – Quantify all <u>estimated</u> State government direct and indirect costs associated with activity, system or process <u>after</u> project implementation. This section should be completed only if State government <u>operations</u> costs are expected to be reduced as a result of project implementation.

> **Response:** N/A

3. State Government Benefit -- Subtract the total "Annual Post-Project Cost" from the total "Annual Pre-Project Cost." This section should be completed only if State government <u>operations</u> costs are expected to be reduced as a result of project implementation.

> **Response:** N/A

4. Citizen Benefit – Quantify the estimated annual value of the project to Iowa citizens. This includes the "hard cost" value of avoiding expenses ("hidden taxes") related to conducting business with State government. These expenses may be of a personal or business nature. They could be related to transportation, the time expended on or waiting for the manual processing of governmental paperwork such as licenses or applications, taking time off work, mailing, or other similar expenses. As a "rule of thumb," use a value of $10 per hour for citizen time savings and $.325 per mile for travel cost savings.

> **Response:** N/A

5. Opportunity Value/Risk or Loss Avoidance Benefit – Quantify the estimated annual <u>non-operations</u> benefit to State government. This could include such items as qualifying for additional matching funds, avoiding the loss of matching funds, avoiding program penalties/sanctions or interest charges, avoiding risks to health/security/safety, avoiding the consequences of not complying with State or federal laws, providing enhanced services, avoiding the consequences of not complying with enterprise technology standards, etc.

> **Response:** $3,730,000 is the result of estimating the reduction of recidivism by 50% based on the latest numbers available. There were 373 cases in 1999 of return offenders at an estimated cost of $20,000/case/year to return them to the Corrections system. Formula for saving is 373 cases x 50% reduction x $20,000/year = $3,730,000.
> The initial component of the ICON system, the ICON banking program, will be used as the baseline for cost avoidance calculation. The ICON Banking System resulted in a 30 minute per day "savings" of staff time for each employee in the District and Institution business office. This resulted in staff being able to process more accurate offender financial information.
> Approximately 1,000 employees will have 30 minutes extra per day to deal with offenders. This time is now spent doing paperwork which will be computerized with ICON. This equates to 500 hours per day of face to face contact with offenders with a value of over $2,300,000 per year. This will improve the State's efforts to improve public safety.

6. Total Annual Project Benefit -- Add the values of all annual benefit categories.

> **Response:** $6,030,000 total benefit

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7. Total Annual Project Cost – It is necessary to <u>estimate and assign</u> a useful life figure to <u>each</u> cost identified in the project budget. Useful life is the amount of time that project related equipment, products, or services are utilized before they are updated or replaced. In general, the useful life of hardware is three (3) years and the useful life of software is four (4) years. Depending upon the nature of the expense, the useful life for other project costs will vary between one (1) and four (4) years. On an exception basis, the useful life of individual project elements or the project as a whole may exceed four (4) years.   Additionally, the ROI calculation must include all <u>new</u> annual ongoing costs that are project related. Completing <u>Section IV-A, Project Budget</u> of the evaluation document will provide all the necessary information for this item.

Response: See section IV-A, Project Budget, for this information.

8. Benefit / Cost Ratio – Divide the "Total Annual Project Benefit" by the "Total Annual Project Cost." If the resulting figure is greater than one (1.00), then the annual project benefits exceed the annual project cost. If the resulting figure is less than one (1.00), then the annual project benefits are less than the annual project cost.

Response: $6,030,000 / $342,500 = 17.60

9. ROI -- Subtract the "Total Annual Project Cost" from the "Total Annual Project Benefit" and divide by the amount of the requested State IT project funds.

Response: $6,030,000 - $342,500 / 837,000 = 6.79 x 100 = 679%

10. Benefits Not Readily Quantifiable -- List the project benefits which are not readily quantifiable (i.e. IT innovation, unique system application, utilization of new technology, hidden taxes, improving the quality of life, reducing the government hassle factor, meeting a strategic goal, etc.). Rate the importance of these benefits on a "1 – 10" basis, with "10" being of highest importance. Check the "Benefits Not Readily Quantifiable" box in the applicable row.

Response:

11. ROI Financial Worksheet

Annual Pre-Project Cost - How You Perform The Function(s) Now	
FTE Cost (salary plus benefits):	$0
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$0
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$0
A. Total Annual Pre-Project Cost:	$0

Annual Post-Project Cost – How You Propose to Perform the Function(s)	
FTE Cost:	$0
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$0
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$0
B. Total Annual Post-Project Cost:	$0
State Government Benefit (= A-B):	$0

Annual Benefit Summary	
State Government Benefit:	$0
Citizen Benefit:	$0
Opportunity Value or Risk/Loss Avoidance Benefit:	$6,030,000
C. Total Annual Project Benefit:	$6,030,000
D. Annual Prorated Cost (SECTION IV-A):	$342,500
Benefit / Cost Ratio: (C / D) =	17.60
Return On Investment (ROI): (C – D / Requested Project Funds) x 100 =	**679%**

☐ **Benefits Not Readily Quantifiable**

Section V: ITC Project Evaluation Criteria

	Criteria and Location in Project Evaluation Document	Points
1.	Is the project a statutory requirement; legal requirement; federal or state mandate; health, safety or security requirement or issue; and/or required for compliance with the enterprise technology standards? **Location: Section I-A**	**15**
2.	Will the project improve customer service? **Location: Section I-B.2**	**15**
3.	Does the project have a direct impact on citizens? To what extent does the project help reconnect state government with Iowans? **Location: Section I-B.3**	**10**
4.	Does the project provide a sufficient tangible and/or intangible return on investment? Will it generate savings or income? **Location: Section IV-C**	**10**
5.	Does the project make use of information technology and its practical application in reengineering traditional government processes consistent with the goals and objectives of the state's strategic plans? **Location: Section I-B.1**	**10**
6.	Risk: What are the risks associated with the project? Such risks may include those internal and external to state government, the risk of doing a project, the risk of not doing a project, and the risks associated with changing technologies, potential cost overruns, and changing citizen demands and needs. **Location: Section II-B.5**	**10**
7.	Is this funding required to continue a project that was begun prior to the year funding is being requested for and does it have proven past performance? Is the funding part of a multi-year strategy? **Location: Section II-B1, IVB2**	**10**
8.	Will the project be for only one agency, multiple agencies, or the state government enterprise? **Location: Section I-B3, IIB4**	**10**
9.	Has the applicant maximized their own and other resources in the project? Is alternative funding unavailable for this project? (If no other funding available, project will not be completed without Pooled Technology funding) **Location: Section IV-B.2, IV-B.3**	**5**
10.	What is the credibility of the requester based on past performance on other projects? **Location: Section II-A.2.d**	**5**
	Total	**100**